



Revision number:

Purchasing Agent: David Gill
Phone: (801) 538-3254
Email: dgill@utah.gov

Item: Medical, Hospital and Personal Care Items

Vendor: 68453J Physicians Sales and Service
3044 South 1030 West
Salt Lake City, UT 84119

Internet Homepage: www.pssd.com

Contact: Darin Sharp
Telephone: 801-977-0848
Fax number: 801-908-0562
Email address: dsharp@pssd.com

Reporting Type: Line-Item

Price: See Section 2.2 "Pricing"
See Section 2.2.6 dollar limit

Terms: Net 30 days
Effective dates: 7/01/06 – 7/01/09
Potential renewal options remaining: Two 1-year renewals; 7/01/11 maximum
Days required for delivery: Usually 1-2 days (See Section 4.4 "Distribution")
Price guarantee period: Six months from 7/01/06
Freight and minimum order: See Section 4.4 "Distribution"
Other conditions: See Sections 3.3, 5.5, Disaster Relief Plan

This is a new contract

BID NO. GL6041

State agencies will place orders directly with the vendor (creating a PG in Finet) and make payments for the same on a PV referencing the original PG. Agencies will return to the vendor any invoice which reflects incorrect pricing.



A Summary of PSS's Responses and Commitments

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Definitions:

- "PSS" is Physician Sales and Service
- "MMCAP" is Minnesota Multi-state Contract Alliance for Pharmacy
- "GPO" is a Group Purchasing Organization and is similar to a co-op. MMCAP is a GPO

Section 2.2 – Pricing

2.2.1 This contract is based on MMCAP pricing. PSS charges the state MMCAP prices plus a distribution fee of 8.9% set by a contract between PSS and MMCAP.

2.2.2 For items not available through MMCAP, PSS charges the state a discount against "List Price". The discount may vary, based on product line. In most cases, this discount will exceed 25%. Because the prices for each account will be set to such rule, this discount will be reflected in the price found online, or through their PSS Representative. These prices shall remain consistent, for any customers accessing the State contract. For Audit purposes, PSS will set up a master list for the State.

2.2.3 Net pricing to the state may be accessed at the PSS website
<<http://www.mypss.com/>>.

Historical prices and transactions will be retained on the PSS website for each account.

2.2.4 MMCAP net/raw prices and historical prices may be verified at the MMCAP website www.mmcap.org.

2.2.5 All prices include delivery, sales representation, all costs, and all PSS services offered under the contract.

2.2.6 All items available through MMCAP which are within the scope of this contract are part of this contract as though they had been included in the bid. **Items within the scope of this contract are "medical, hospital and personal care items" with an each-price value of \$1,800.00 dollars or less. Items above that value must be bid separately.**

2.2.7 Break-bulk quantities in the lowest unit of measure (LUM) packaged (safe and sterile) by the manufacturer is a requirement of the contract.

2.2.8 Pricing for packaging levels are/must be multiples of each other. For example, if an Item is packaged by EA, 10 EA per BX, and 10 BX per CS, the EA price is 1/100th of the CS price and a BX is 1/10th of the CS price.

2.2.9 Non-GPO items quoted are based on standard distribution cost. Mark-ups will not change unless standard cost changes usually cost increases from manufacturers occur January 1st or June 1st in any given calendar year. Non-GPO item rules apply for all products. The distribution



fee will remain the same regardless of cost changes in increase or decrease and will be passed along accordingly.

2.2.10 PSS sales representatives will give verbal notice of all price changes roughly sixty days (60) before a price is changed on the web. A written notice will be given to the state purchasing agent. (David Gill at the date of contract award.)

2.2.11 All rebates are calculated into the net price at point of sale.

2.2.12 Additional .5% discounts will be given when the State total purchase volume reaches these levels in a given fiscal year (July to June).

\$500,000> additional .5% \$600,000> additional .5%

These discounts will be included in the net prices on the PSS web.

2.2.13 A compliance percentage will not be required for either contracted or non-contracted products.

2.2.14 Pricing will remain the same under the distribution cost plus mark up when the State purchasing card is used.

Section 3.3 – On-line Catalog and Ordering

3.3.1 An on-line catalog and on-line ordering are available under this contract.

3.3.2 All pricing will reflect the contract and non-contract products under the cost plus automatically on the website

3.3.3 The web site easily shows the quantities available for each package level (EA, BX, CS, etc.) and corresponding prices.

3.3.4 The web site shows what is in stock at the warehouse(s) located in Utah and at other PSS warehouses close to Utah

3.3.5 PSS offers a personalized usage list.

3.3.6 Fill rates, in-stock items, estimated delivery times for non-stock, etc. be seen on line.

3.3.7 Smart Scan bar-coding with scanners, inventory management, MSDS sheets and customized reporting are also offered.

3.3.8 Unused in this summary.

3.3.9 Orders may also be placed by phone, fax, local customer service and via sales representatives.

3.3.10 All needed education and training will be provided via sales representatives and local management. A twenty four (24) customer support line exists for trouble shooting and training. The phone number is (888) 477-7342. Press 1 for "mypss.com" and press 2 for "Smartscan".



Section 4.4 – Distribution

4.4.1 No minimum order size exists unless the manufacturer of a special order item requires a minimum order size.

4.4.2 The cut off for next day delivery on standard orders will be 4:00pm that business day. Orders received after that time will be second day delivery.

4.4.3 Our fill rate is defined as core commodity (common to most customers) products stocked in the Salt Lake City distribution center including products exclusive to the State of Utah. PSS guarantees a fill rate of no less than 98% on these products.

4.4.4 Non-stock products will usually be delivered within two weeks from the date of purchase depending on the method of freight agreed upon.

4.4.5 A ninety (90) day return policy is standard for stocked Salt Lake City products assuming the product is returned in good condition and is resalable. Non-stock items may be subject to a restocking fee usually implemented by the manufacturer

4.4.6 The emergency plan is a separate attachment.

4.4.7 All products will be delivered by company vehicle to locations within 100 miles of the Salt Lake City distribution center. Beyond that distance and drop-ship items will be delivered by rapid delivery common.

4.4.8 The status of each order be sent to the ordering facility on the day the order is placed.

Section 5.5 – Sales Support

5.5.1 PSS will provide sales support that is prompt (same day) to answer questions/ resolve issues unless the answer requires manufacturer's assistance and the time zone difference will not allow a same day response. In that case a next day response will be provided.

5.5.2 PSS will provide sales support with expertise in the workings of the PSS Utah warehouse facility, its operation, products offered, the application/use of those products and with the ability to consult with facilities on cost saving and efficiency measures.

5.5.3 PSS will provide sales support with experience in serving all sizes of facilities, large to small. All facilities will be treated equally as a State of Utah customer.

5.5.4 All facilities will either be visited by a representative weekly or bi-weekly base upon individual wants and needs.

5.5.6 PSS will monitor closely and provide extra people as needed to smooth the transition into a new Contract and provide individualized attention for each ordering facility.



FINET COMMODITY CODE(S): For Agency use only

46500000000 – HOSPITAL AND SURGICAL EQUIPMENT, INSTRUMENTS, AND SUPPLIES

47000000000 – HOSPITAL AND HANDICAP EQUIPMENT AND SUPPLIES: MOBILITY, SPEECH
IMPAIRED, AND RESTRAINT ITEMS

47500000000 – HOSPITAL, SURGICAL, AND RELATED MEDICAL ACCESSORIES AND SUNDRY ITEMS

REVISION HISTORY:



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Branch SLC

Branch # 1066

Date of completion 03/08/2006

Purpose

The Disaster Contingency Plan is a guide in a disaster situation. A disaster could be power outages or total branch destruction due to a tornado, hurricane, blizzard, fire, earthquake, mudslide, avalanche, sandstorm, flooding, or tsunami (tidal wave). You might know of the impending danger, or it might occur suddenly. Either way we need to be prepared with quick references to contacts, supplies, and procedures. Our first priority in a disaster situation is always our employees, then our customers and our assets. Each situation differs. Being prepared is critical.

Administrative Duties

Cindy Lee is responsible for updating and maintaining the Disaster Contingency Plan on an annual basis or a personnel change.

This plan will be located in the break room on the fridge making it accessible to all employees.

Disaster Coordinator

- Each branch will have a Disaster Coordinator and a back up.
 - The Disaster Coordinator for this facility is Gary Boswell.
 - The back up Disaster Coordinator is Cindy Lee.
- The Disaster Coordinator's responsibilities will include the following:
 - Ensure that disaster supplies are on hand and available
 - Contact person in the event of an disaster
 - Communication to employees at the branch in the event of a disaster – This person will need to keep a list of all branch employees and their contact #s
 - Communication to Field Support
 - Insure the Emergency Action Plan is being followed
 - Place calls to emergency services
 - Contact person for assistance with an effected branch
 - Any additional emergency actions



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Emergency Contact Information

Service Provider	Account #	Phone #
Emergency - Police/Fire/Ambulance		911
Phone Company	Qwest	1-800-603-6000
Electric Company	Utah Power	1-877-548-3768
Gas Company	Questar	1-877-548-3768
Water Company	Eckman Mitchell	801-908-0604
Landlord	Eckman Mitchell	801-908-0604
Non emergency - Police	South SLC	801-840-4000
Non emergency - Fire	South SLC	801-840-4000
Trash Service/Disposal	Allied Waste	801-972-4234
General Contractor		



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan
Employee Contact Information

Name of Employee (including Sales Representatives)	Home #	Cell Phone #
Matt Golz (OP's Leader)		801-301-9058
Darin Sharp (Sales Leader)		801-608-1148
Gary Boswell (DL)	801-356-9352	901-301-9914
Justin Russell (ICS)	801-569-1705	801-706-2524
Tyrone Lemons (Night Shift)		801-577-2359
Tayna Graham (AR)		801-694-3918
Cindy Lee (CS)	801-250-0213	801-440-6162
Heather Cordova	801-563-8461	801-680-6234
Manuel Cordova	801-563-8461	801-205-3600
Judy Hanson	801-969-1015	
Jacob Houtz	801-965-1157	801-842-8353
Brandon Jukes		801-967-0806



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Chris Pratt	801-262-4243	801-599-7254
Kelly Rodgers	208-345-6403	208-713-5477
Dan Stevens		801-548-4108
Ken Silvers	208-467-6880	208-989-8851
Jaymie Waters		801-808-1700
Todd Albiston (Rep)	801-942-3786	801-718-0930
William Beecher (Rep)	435-755-5160	801-243-2457
Daniel Bertcsh (Rep)	801-572-3038	801-243-3053
Casey Bilbro (Rep)	801-785-4942	801-787-9674
Greg Dorius (Rep)	801-298-1283	801-560-5486
Brian Downey (Rep)	208-356-7023	208-313-1504
Robert Fischer (Rep)	208-734-1284	208-420-8060
James Gibson (Rep)	208-323-1424	208-890-2050
Kaleo Panoke (Rep)	801-274-8144	801-759-4194
Jake Speelmon (Rep)	208-337-5892	208-867-8037

Disaster Contingency Plan

Kerby Sudduth (Rep)	208-938-3938	208-869-4528
Steve Virtue (Rep)	208-338-6625	208-631-5617
Les Watson (Rep)	801-292-9269	801-540-5780
Brad Wiles (Rep)		801-898-0655

Position	Name	Work Number	Emergency Number	E-mail
Disaster Coordinator	Gary Boswell	801-973-0579 ext. 111	801-301-9914	gboswell@pssd.com
Backup Disaster Coordinator	Cindy Lee	801-973-0579 ext. 103	801-440-6261	pssslccs@pssd.com
Sales Leader I	Darin Sharp	801-973-0579 ext. 109	801-608-1148	dsharp@pssd.com
Sales Leader II				
Sales Leader III				
Operations Leader	Matt Golz	801-973-0579 ext. 113	801-301-9058	mgolz@pssd.com
Distribution Leader	Gary Boswell	801-973-0579 ext. 111	801-301-9914	gboswell@pssd.com
ROVP	David Marriott	480-824-3034	480-824-3034	dmarriott@pssd.com
RVP Sales	Jay Monaco	949-400-3242	949-400-3242	jmonaco@pssd.com
Director of Operations	Josh Horton	904-380-4820	TBD	jhorton@pssd.com
Communication Specialist (phones)	Shannon Wood	321-663-6752	321-663-6752	swood@pssd.com



Disaster Contingency Plan

Purchasing Director	Theresa Holstead	904-332-3180	904-472-5181	tholstead@pssd.com
VP of Investor Relations	Robert Weiner	904-332-3031	904-386-0524	rweiner@pssd.com
Human Resources Director	Ann Christante	904-332-3410	904-472-6383	achristante@pssd.com

The three closest branch's Operations Leaders and their Disaster Coordinators:

Branch	Branch Phone Number	Operation Leader	Disaster Coordinator	Backup Disaster Coordinator
Denver	303-375-7774	Mike Baker	Mike Baker	Matt Richards
Sacramento	916-617-4311	Scott Hebisen	Mike Stiles	Jean Bazdresch
Phoenix	602-232-4899	Gil Howie	Gill Howie	Linda Weber



Disaster Contingency Plan

A list of employees that would be willing to travel to another branch to help in a disaster situation:

Employee	Contact #	Employee	Contact #
Matt Golz	801-301-9058		
Cindy Lee	801-440-6261		
Justin Russell	801-706-2524		
Gary Boswell	801-301-9914		

****Those who volunteer to travel in a disaster situation will be contacted and the situation will be discussed before plans are finalized.**

In a disaster, your orders might be transferred to an alternate branch for delivery. In this situation, the affected branch, CP, and the shipping branch will have a conference call to fill out the following “Alternate Branch Delivery Plan” template to coordinate the transfer of orders. The template is located on PSSBRCommon in the Disaster Contingency file.

Route Code	Ship to Location	Alternate Distribution Branch	Shipping Method	Alternate Branch Route #	Customer / Sales Order Cut Off Time	Alt Branch & Purchasing Last Print for Shipping Cut Off	NORMAL PICKING/SHIPPING DAY Indicate the days you ship this route. (Y/N)				
							Monday	Tuesday	Wednesday	Thursday	Friday
001	Mobile	Atlanta	LTL	61	2:00 pm CST	4:30 pm EST	Y	Y	Y	Y	Y
002				62			Y	Y	Y	Y	Y
003				63			Y	Y	Y	Y	Y
004				64			Y	Y	Y	Y	Y
005				65			N	Y	N	N	N

Equipment and Supplies

Refrigerated truck – A refrigerated truck might be needed to keep refrigerated products from spoiling. Contact two sources in your immediate area and one source in a city some distance away. Understand how they handle disaster situations.

- 1st Therm King Reqrigeration phone#801-363-1963 Contact: Mark.
- 2nd Penske Truck Rental phone#801-972-2202.
- 3rd Commercial Refrigeration phone#801-898-9990 Contact: Bryan.



Disaster Contingency Plan

- Time is of the essence for securing a refrigerated truck. Call and reserve a refrigerated truck at first indication of a possible power outage. The only available refrigerated truck might be a few hours away.
- If the power outage is expected to last an extended amount of time, pick up the refrigerated truck.
- Transfer all refrigerated products to the truck to prevent spoilage.
- A temperature log must be maintained for the refrigerated truck.
- If you are unable to secure a refrigerated truck, limit the amount of time you enter the walk-in cooler to prevent loss of refrigeration. Review the possibility of moving refrigerated product to an alternate PSS or GSMS facility.

Generator – A generator might be needed to power emergency lighting. Contact two sources in your immediate area and one source in a city some distance away. You will need to understand and follow all hookup and usage instructions. Understand how they handle disaster situations.

- 1st source Cat Rental phone # 801-908-8900 Contact: Colby Bryant
- 2nd source Ace Rents phone # 801-375-7530
- 3rd source _____ phone # _____ account # _____

- Time is of the essence for securing a generator. Call and reserve a generator as soon as you have knowledge of an impending power outage. The only available generator might be a few hours away.
- If the power outage is expected to last an extended amount of time, pick up the generator.
- Fill your gas can with the fuel needed to maintain your generator.
- Hook up your floor stand lighting to the generator. The lighting will give you the ability to process emergency orders when the power is out.

Emergency Supplies

- The emergency supplies that every branch must have on hand are:
 - Flashlights
 - Batteries – for the flashlights
 - Floor stand lighting
 - First aid kit
 - Large gas can for a generator

Gasoline

- If you know of a potential disaster/power outage (hurricane, blizzard, etc.), be sure to have all the vans full of gas. Gas stations might not be open due to gas shortages or power outages.



Disaster Contingency Plan

Communication

Phone and Fax lines – The branch's phone and fax line might need to be forwarded to a voice recording or an alternate branch in a disaster situation.

- All toll free numbers can be forwarded.
- A branch with their main phone and fax lines not on a DID service can have their main line forwarded. The toll free numbers will transfer when you transfer the main line.
- A branch with DID service can only forward their main lines if they have power. You will need to contact the Communication Specialist to have this line forwarded. We are researching a solution for forwarding DID service lines when the power is down.
- For DID service branches, AT&T's Service Assurance Hotline will need to be called to transfer toll free numbers at a DID branch. AT&T is our service provider for all toll free numbers. List all the toll free phone and fax numbers your customers use to contact customer service.

Toll Free phone Numbers	Toll Free fax Numbers
1-800-222-3000	1-800-838-6343

If you need your phone and fax lines forwarded, call the Communication Specialists Shannon Wood or Clay Reeves first.

- Shannon Wood is at 321-663-6752
- Clay Reeves is at 904-332-3428

If the Communication Specialists cannot be reached, the branch can forward their lines. Use the following information for forwarding:

To transfer lines at a non-DID service branch

- The call in number to have the phone line forwarded is ____ - ____ - ____, the password is ____, and the feature code is ____.
- The call in number to have the fax line forwarded is ____ - ____ - ____, the password is ____, and the feature code is ____.

To transfer back lines at a non-DID service branch

- The call in number to have the phone line transferred back is ____ - ____ - ____, the password is ____, and the feature code is ____.



Disaster Contingency Plan

- The call in number to have the fax line transferred back is [REDACTED], the password is [REDACTED], and the feature code is [REDACTED].

To transfer toll free numbers at a DID service branch

- Call AT&T's Service Assurance hotline at 800-222-3000 or 800-838-6343

To transfer a DID main branch line when the power is still on

- Contact the Communication Specialists

Communication to the field – In a disaster, it is essential that all of PSS World Medical is aware of your situation.

- A call will need to be made to IT (904-332-3300) to have an e-mail sent to the field stating that you are experiencing a power outage.
- If you are experiencing a prolonged power outage, you will need to set scheduled conference calls with all key personnel in Field Support. This will serve as a status and procedure update. Calls should be scheduled every 3-6 hours.

Communication to the customers – Depending on the situation, your phones will be forwarded either to a voice recording or to an alternate branch. All key personnel will decide on this.

- **Voice recording at the branch** – A voice recording can be set up to inform your customers and employees of a temporary closer.
- **Voice recording at corporate** – In a short-term power outage or closer, your phone line can be forwarded to a voice recording in Jacksonville. This will inform your customers and employees of your situation.
- **Voice recording with message capability** – Your main phone line can be set up with voice recording capability. This will give your customer the ability to leave a message. These messages will be monitored and returned.
- **Forwarded to an alternate branch** – Your main phone and fax line can be forwarded to an alternate branch. This branch will be able to inform your customers of your situation and process orders. IT will set up this branch with temporary logins so they can assist your customers.

Communication to the Sales Reps – An established toll-free line will be created for Sales Representatives to call to get a recording update on upcoming conference calls or branch status.

- 800-810-7933 Toll-free Disaster Contingency Line

The conference call will serve as a status and procedure update.



Disaster Contingency Plan

- The call in number is (877)-477-0940.
- The conference call code is 0456789.
- The leader pin is 0456

Communication to employees – An established toll-free line will be created for Sales Representatives to call to get a recording update on upcoming conference calls or branch status.

- 800-810-7933 Toll-free Disaster Contingency Line

The conference call will serve as a status and procedure update.

- The call in number is (877)-477-0940.
- The conference call code is 0456789.
- The leader pin is 0456

Communication to the press/media - The Disaster Coordinator needs to contact the VP of Investor Relations, Robert Weiner, with an assessment of any disaster situation. If you are contacted by the media/press, do not provide any information or say “no comment”. All media/press inquiries need to be directed to Robert Weiner.

- Robert Weiner: (Office) 904-332-3031, (Cell) 904-386-0524

Transportation and Hotels in an evacuation - If a potentially dangerous storm is approaching and there is a need to evacuate, you can contact the travel department between 8-5 EST at 904-332-3334 or after hours at 877-824-5842 to arrange for transportation and hotel needs.

Inventory

- Most State's Pharmacy Boards require that you keep a step-by-step log of the procedures you followed to maintain and secure your inventory. This includes maintaining a temperature log.

Order Delivery

Short-term power outage

1. All orders will be put on hold until your power is back on.



Disaster Contingency Plan

2. Sales Support will be on hand to drop ship any emergency orders from one of the three closest branches.

Long-term power outage/Major Disaster - Depending on the length of the power outage, the orders will either be placed on hold or transferred to alternate branches. If the branch is no longer functional, operations might be set up at a nearby PSS or GSMS facility.

1. If the branch is out of power for a prolonged amount of time, CP will begin transferring orders to alternate branches.
2. The transfer of orders to an alternate branch will be decided on a conference call between the affected branch, CP, and the shipping branch. The discussion will include a cut off time, method of delivery, and the branches that will be helping in the process. The "Alternate Branch Delivery Plan" template will need to be filled out to coordinate the transfer of orders.
3. If the branch has to evacuate and the power is still on, the branch will need to make sure all orders are updated. This will help in the transferring of orders to an alternate branch.
4. Temporary JDE logins will be assigned to the personnel at the assisting branch. These logins will give the assisting branch the ability to place orders, work AR, and process orders for the affected branch.
5. Some of your employees might have to travel to the alternate branch to help with the increased workload.

Diversion of orders back to the affected branch

1. When the affected branch is close to being restored to working order, CP will discontinue the transfer of orders depending on the transit time.
2. All employees will need to be on call for when the branch is back on line.